

**ARIZONA CORPORATION COMMISSION**  
**UTILITIES DIVISION**

ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY

N

E-01787A  
Navopache Electric Cooperative, Inc.  
P. O. Box 308  
Lakeside AZ 85929-0000

**RECEIVED**

MAR 01 2005

AZ Corporation Commission  
Director Of Utilities

**ANNUAL REPORT**

**FOR YEAR ENDING**

<b>12</b>	<b>31</b>	<b>2004</b>
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FOR COMMISSION USE

<b>ANN 01</b>	<b>04</b>
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PROCESSED BY:

SCANNED

## COMPANY INFORMATION

<b>Company Name (Business Name)</b> NAVOPACHE ELECTRIC COOPERATIVE, INC.			
<b>Mailing Address</b> 1878 W WHITE MOUNTAIN BLVD			
(Street)			
LAKESIDE	ARIZONA	85929	
(City)	(State)	(Zip)	
(928) 368-5118	(928) 368-6038		
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Pager/Cell No. (Include Area Code)	
<b>Email Address</b>			
<b>Local Office Mailing Address</b> 1878 W WHITE MOUNTAIN BLVD			
(Street)			
LAKESIDE	ARIZONA	85929	
(City)	(State)	(Zip)	
(928) 368-5118	(928) 368-6038		
Local Office Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Pager/Cell No. (Include Area Code)	
<b>Email Address</b>			

## MANAGEMENT INFORMATION

<b>Management Contact:</b> PAUL O'DAIR, MANAGER OF FINANCIAL SERVICES			
(Name)		(Title)	
1878 W WHITE MOUNTAIN BLVD., LAKESIDE, AZ 85929			
(Street)	(City)	(State)	(Zip)
(928) 368-5118 ext. 206	(928) 368-6038		
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Pager/Cell No. (Include Area Code)	
<b>Email Address</b> podair@navopache.org			
<b>On Site Manager:</b> WAYNE A RETZLAFF			
(Name)			
1878 W WHITE MOUNTAIN BLVD, LAKESIDE, AZ 85929			
(Street)	(City)	(State)	(Zip)
(928) 368-5118	(928) 368-6038		
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Pager/Cell No. (Include Area Code)	
<b>Email Address</b> wretzlaff@navopache.org			

☐ Please mark this box if the above address(es) have changed or are updated since the last filing.

**Statutory Agent:** MARILYNN SHORT

(Name)

1878 W WHITE MOUNTAIN BLVD, LAKESIDE, AZ 85929

(Street)

(City)

(State)

(Zip)

(928) 368-5118

(928) 368-6038

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

**Attorney:** CURTIS, GOODWIN, SULLIVAN, UDALL & SCHWAB PLC

(Name)

928 N SEVENTH ST, PHOENIX, AZ 85006

(Street)

(City)

(State)

(Zip)

(602) 248-0372

(602) 266-8290

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

☒ Please mark this box if the above address(es) have changed or are updated since the last filing.

### OWNERSHIP INFORMATION

Check the following box that applies to your company:

☐ Sole Proprietor (S)

☐ C Corporation (C) (Other than Association/Co-op)

☐ Partnership (P)

☐ Subchapter S Corporation (Z)

☐ Bankruptcy (B)

☒ Association/Co-op (A)

☐ Receivership (R)

☐ Limited Liability Company

☒ Other (Describe) CORPORATION-ELECTRIC DISTRIBUTION

### COUNTIES SERVED

Check the box below for the county/ies in which you are certificated to provide service:

☒ APACHE

☐ COCHISE

☐ COCONINO

☒ GILA

☐ GRAHAM

☒ GREENLEE

☐ LA PAZ

☐ MARICOPA

☐ MOHAVE

☒ NAVAJO

☐ PIMA

☐ PINAL

☐ SANTA CRUZ

☐ YAVAPAI

☐ YUMA

☐ STATEWIDE

## SERVICES AUTHORIZED TO PROVIDE

Check the following box/es for the services that you are authorized to provide:

☒ **Electric**

- ☐ Investor Owned Electric
- ☐ Rural Electric Cooperative
- ☒ Utility Distribution Company
- ☐ Electric Service Provider
- ☐ Transmission Service Provider
- ☐ Meter Service Provider
- ☐ Meter Reading Service Provider
- ☐ Billing and Collection
- ☐ Ancillary Services
- ☐ Generation Provider
- ☐ Aggregator/Broker

☐ **Telecommunications**

- ☐ Incumbent Local Exchange Carrier
- ☐ Interexchange Carrier
- ☐ Competitive Local Exchange Carrier
- ☐ Reseller
- ☐ Alternative Operator Service Provider

☐ **Gas**

- ☐ Natural Gas
- ☐ Propane

☐ **Other (Specify)** \_\_\_\_\_

\_\_\_\_\_

## STATISTICAL INFORMATION

### TELECOMMUNICATION UTILITIES ONLY

Total residential access lines	_____
Total business access lines	_____
Total revenue from Arizona operations	\$ _____
Total income from Arizona operations	\$ _____
Value of assets used to serve Arizona customers	\$ _____
Accumulated depreciation associated with those assets	\$ _____

## STATISTICAL INFORMATION (CONT'D)

### ELECTRIC UTILITY PROVIDERS ONLY

NOTE: ARIZONA ONLY

Total number of customers	34,080	
Residential	30,776	
Commercial	3,226	
Industrial	5	
Public street and highway lighting	23	
Irrigation	50	
Resale		
Total kilowatt-hours sold	356,204,036	kWh
Residential	189,700,717	
Commercial	128,504,919	
Industrial	30,144,535	
Public street and highway lighting	902,220	
Irrigation	6,951,745	
Resale		
Maximum Peak Load	69,596	MW

### GAS UTILITIES ONLY

Total number of customers		
Residential		
Commercial		
Industrial		
Irrigation		
Resale		
Total therms sold		therms
Residential		
Commercial		
Industrial		
Irrigation		
Resale		

NOTE: ARIZONA ONLY!

VERIFICATION  
AND  
SWORN STATEMENT  
Intrastate Revenues Only

RECEIVED

MAR 01 2005

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED  
OF THE

COUNTY OF (COUNTY NAME)	AZ Corporation Commission
NAVAJO	Director Of Utilities
NAME (OWNER OR OFFICIAL) TITLE	
PAUL O'DAIR, MANAGER OF FINANCIAL SERVICES	
COMPANY NAME	
NAVOPACHE ELECTRIC COOPERATIVE, INC.	

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2004

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT


IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2004 WAS:

Arizona Intrastate Gross Operating Revenues Only (\$)

\$ 34,262,114

(THE AMOUNT IN BOX ABOVE  
INCLUDES \$ 1,982,038  
IN SALES TAXES BILLED, OR COLLECTED)

**\*\*REVENUE REPORTED ON THIS PAGE MUST INCLUDE SALES TAXES BILLED OR COLLECTED. IF FOR ANY OTHER REASON, THE REVENUE REPORTED ABOVE DOES NOT AGREE WITH TOTAL OPERATING REVENUES ELSEWHERE REPORTED, ATTACH THOSE STATEMENTS THAT RECONCILE THE DIFFERENCE. (EXPLAIN IN DETAIL)**

  
SIGNATURE OF OWNER OR OFFICIAL  
928 368-5118  
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

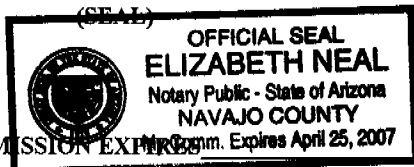
A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

28<sup>th</sup>

DAY OF

COUNTY NAME	Navajo
MONTH	February
	2005



  
SIGNATURE OF NOTARY PUBLIC

MY COMMISSION EXPIRES

**VERIFICATION  
AND  
SWORN STATEMENT  
RESIDENTIAL REVENUE  
INTRASTATE REVENUES ONLY**

**RECEIVED**

MAR 01 2005

AZ Corporation Commission  
Director Of Utilities

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME)	
N/A	
NAME (OWNER OR OFFICIAL)	TITLE
COMPANY NAME	

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2004

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

**SWORN STATEMENT**

IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2004 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES
\$ <u>          N/A          </u>

(THE AMOUNT IN BOX AT LEFT  
INCLUDES \$  
IN SALES TAXES BILLED, OR COLLECTED

\*RESIDENTIAL REVENUE REPORTED ON THIS PAGE  
MUST INCLUDE SALES TAXES BILLED.

X           N/A            
SIGNATURE OF OWNER OR OFFICIAL

TELEPHONE NUMBER \_\_\_\_\_

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

DAY OF

(SEAL)

MY COMMISSION EXPIRES

X \_\_\_\_\_  
SIGNATURE OF NOTARY PUBLIC

NOTARY PUBLIC NAME	
COUNTY NAME	
MONTH	, 20__

## FINANCIAL INFORMATION

Attach to this annual report a copy of the companies' year-end (Calendar Year 2004) financial statements. If you do not compile these reports, the Utilities Division will supply you with blank financial statements for completion and filing. **ALL INFORMATION MUST BE ARIZONA-SPECIFIC AND REFLECT OPERATING RESULTS IN ARIZONA.**

- 1) Please find enclosed the annual RUS Form 7 for Navopache Electric Cooperative, Inc. This report included both Arizona and New Mexico.
- 2) Please also find enclosed an estimated only Statement of Operations for Arizona and an estimated only Balance Sheet for Arizona. Navopache does not distinguish or separate Arizona and New Mexico. These are estimates only.



Navopache Electric Cooperative, Inc.  
ACC Utilities Division

**ARIZONA ESTIMATE ONLY - INTERNAL USE ONLY**

		2004	
	statement of operations item	SYSTEM	ARIZONA ESTIMATE
1	operating revenue	\$33,335,688	\$32,280,076
3	cost of power	\$16,087,295	\$15,649,557
4	transmission expense	\$102,987	\$93,028
5	dist expense - operations	\$2,911,566	\$2,630,000
6	dist expense - maintenance	\$1,832,367	\$1,655,166
7	consumer accounts expense	\$2,400,907	\$2,296,623
8	customer service & info.	\$297,068	\$284,165
9	sales expense	\$161,476	\$154,462
10	administrative & general	\$3,377,402	\$3,230,703
11	<b>TOTAL OPERATIONS</b>	<b>\$27,171,068</b>	<b>\$25,993,704</b>
12	depreciation & amortization	\$2,632,099	\$2,484,650
13	tax expense - property	\$14,096	\$13,306
14	tax expense - other	\$39,325	\$38,080
15	interest expense long term	\$1,498,016	\$1,414,098
17	interest expense other	\$21,230	\$20,041
18	other deductions	\$10,140	\$9,700
19	<b>COST OF ELECTRIC SERVICE</b>	<b>\$31,385,974</b>	<b>\$29,973,578</b>
20	<b>OPERATING MARGINS</b>	<b>\$1,949,714</b>	<b>\$2,306,498</b>
21	non-operating margins interest	\$81,789	\$78,236
	non-operating margins	\$15,688	\$15,007
25	G&T capital credits	\$0	\$0
26	other capital credits	\$51,101	\$48,881
27	extraordinary items	\$115,545	\$110,526
28	<b>MARGINS</b>	<b>\$2,213,837</b>	<b>\$2,559,148</b>

ARIZONA ESTIMATE ONLY - INTERNAL USE ONLY

2004

	balance sheet item	SYSTEM	ARIZONA ESTIMATE
1	total utility plant	\$82,266,722	\$77,364,754
2	construction wip	\$5,238,096	\$5,022,131
3	total utility plant	\$87,504,818	\$82,386,884
4	depreciation & amort.	\$36,681,874	\$34,697,807
5	<b>net utility plant</b>	<b>\$50,822,944</b>	<b>\$47,689,077</b>
8	Invest. in Asso. Org. patronage	\$304,104	\$287,068
9	Invest. in Assoc. org. other general	\$98,785	\$93,251
10	Invest. in Assoc. org. other non-general	\$1,354,740	\$1,278,848
12	other investments	\$62,763	\$62,763
13	special funds	\$0	\$0
14	<b>total other property &amp; investments</b>	<b>\$1,820,392</b>	<b>\$1,721,931</b>
15	cash - general funds	\$267,628	\$257,347
16	cash construction funds	\$5	\$5
17	special deposits	\$127,345	\$127,345
18	temporaty investments	\$5,939,979	\$5,607,225
19	notes receivable - net	\$15,918	\$15,227
20	accounts receivable net	\$2,437,092	\$2,331,236
21	accounts receivable net other	\$336,966	\$322,330
22	materials and supplies	\$2,005,792	\$1,952,341
23	prepayments	\$247,945	\$235,953
24	other current and accrued assets	\$164,563	\$155,344
25	<b>total current and accrued assets</b>	<b>\$11,543,233</b>	<b>\$11,004,353</b>
	deferred debits	\$240,611	\$227,132
29	<b>TOTAL ASSETS &amp; OTHER DEBITS</b>	<b>\$64,427,180</b>	<b>\$60,642,493</b>
30	memberships	\$146,005	\$138,375
31	patronage capital	\$13,520,564	\$12,585,208
33	operating margins	(\$1,868,413)	(\$1,511,629)
34	non-operating margins	\$97,476	\$91,022
35	other margins & equities	\$796,643	\$762,041
	<b>total margins and equities</b>	<b>\$12,692,275</b>	<b>\$12,065,017</b>
37	long-term debt REA	\$31,928,913	\$30,140,274
40	long-term debt other	\$9,437,110	\$8,908,449
	<b>total long term debt</b>	<b>\$41,366,023</b>	<b>\$39,048,723</b>
43	accumulated operating provisions	\$671,447	\$633,833
44	<b>total other noncurrent liabilities</b>	<b>\$671,447</b>	<b>\$633,833</b>
45	notes payable	\$0	\$0
46	accounts payable	\$2,035,783	\$1,975,204
47	customer deposits	\$450,142	\$430,590
51	other current & accrued liaibilities	\$1,117,224	\$1,076,922
48	current maturties long term debt	\$1,816,790	\$1,715,014
	<b>total current &amp; accrued liabilities</b>	<b>\$5,419,939</b>	<b>\$5,197,731</b>
54	deferred credits	\$4,277,496	\$3,697,190
	<b>TOTAL LIABILITIES &amp; OTHER CREDITS</b>	<b>\$64,427,180</b>	<b>\$60,642,493</b>